

CaixaBank sets up an index to support the internationalization of Spanish companies

- **The bank evaluates key indicators from 67 countries, providing information to its business clients upon request and free of charge.**

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CaixaBank has set up the CaixaBank Index for Business Internationalization (ICIE in its Spanish acronym), which evaluates all key decision making factors for Spanish businesses when establishing trade relations or investing in specific countries. The aim is to support companies that plan to drive internationalization, whether via product sales, working with international providers or investments of any kind.

Specifically, the ICIE covers a total of 67 countries, including both advanced and emerging economies, to create a ranking based on how appealing said countries are for Spanish businesses over time.

The ICIE is comprised of five key pillars that represent fundamental issues for internationalization decisions, such as a country's accessibility, ease of operating in the same, commercial appeal, financial climate and stability.

The result is an index of countries that offer the best conditions for the internationalization of Spanish companies. The ICIE includes a datasheet for each country with a detailed breakdown of each indicator. All of this information is available to CaixaBank clients upon request and free of charge.

Results of the first ICIE

According to the 2016 ICIE, Western European countries offer the best conditions for the internationalization of Spanish companies. As well as being particularly accessible (the countries are nearby and many are EU members), they also perform very well in the other evaluation pillars.

America as a whole is the second easiest region for Spanish companies to drive internationalization, albeit somewhat behind Western Europe. Topping the American ranking is the USA, which stands in sixth position in the global ranking. Mexico and Brazil, the two largest economies in Latin America, are also high on the index (14th and 16th respectively). In Brazil's case, despite the current challenges facing the economy, the fact that numerous Spanish companies already operate in the country means it remains relatively attractive.

Pillars of the index

The ICIE is comprised of five major pillars, which in turn are made up of several sub-pillars. Thus, the pillar that represents each country's market accessibility is itself comprised of aspects such as the connections between the country and Spain, and infrastructure quality.

Meanwhile, the pillar that measures the ease of operating in each country covers the administrative and legal framework that is in place, and the functioning of the labour market. It also factors in existing Spanish investment in the country, as the presence of other Spanish investors is usually conducive to smooth operations with incoming firms.

Another pillar is commercial appeal, which covers any element that may determine how successful Spanish products might be in the country, such as the size of the target market and household purchasing power.

Meanwhile, the financial climate pillar evaluates credit availability and how developed the financial sector is in each country. This helps to determine the capacity of clients and providers to make payments. Likewise, for any business intending to open a production plant or establish a point of sale in the country, said data is indicative of what financial instruments will be available to support treasury management, for example.

Finally, the fifth pillar considers both the institutional and macroeconomic stability of each country. This illustrates any uncertainty surrounding the assessments of the above indicators, and is thus key to ensuring that all business internationalization decisions are coherent with target risk profiles.